GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:5980
ANSWERED ON:04.05.2005
DEMAND AND SUPPLY OF COAL
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Will the Minister of COAL be pleased to state:

(a) the demand and supply of coal during the last three years company-wise;

(b) the action plan being contemplated to increase the coal production to meet the demand;

(c) the projected role of the private sector/MNC in meeting the demand;

(d) whether the Government proposes to import coal and provide it to industries which are not getting coal on subsidised rates;

(e) if so,the details thereof including the names of the countries for import of coal; and

(f) if not,the reason therefore?

Answer

MINISTER OF STATE FOR COAL (DR. DASARI NARAYANA RAO)

a) The demand of coal is assessed by Planning Commission based on the demand of various consuming sectors for whole country i.e. sector-wise and not company-wise. However,the details of the all India coal demand and total indigenous supply are as under:-

(In Million Tonnes)

Particulars	2002-03	2003-04	2004-05 (Prov.)
Demand	363.30	380.90	414.82
Total Indigenous supply	340.08	359.23	371.92
Gap	23.22	21.67	42.90

excluding Meghalaya

b) The action plan contemplated by the domestic companies to increase coal production so as to meet the demand is listed as under:

I. Coal India Ltd.:

i) 102 Projects have been considered to be taken up during 10th Plan.These include 3 augmentation projects namely, Sarpi, Jhanjhra and Kotadih Underground mining projects of Eastern Coalfields Ltd.

ii) Efforts are underway to improve the utilization of equipment.

iii) Mechanization/moderanization of existing mines.

iv) Timely implementation of Projects.

v) All new mines are being planned with mechanization.

II.Singareni Colleries Co.Ltd.:

i) Introduction of Continuous Miner on risk-gain sharing concept initially in one mine (VK-7) with subsequent introduction in two more

mines (PVK-5 and GDK-11 A Incline)

ii) A Committee was constituted to study the feasibility of High wall mining technology to release locked up reserves in opencast mines beneath highwall,

iii) 4 deep shaft mines with high capacity longwalls and continous miners are at various stages of approvals,

iv) Feasibility is being examined for adopting mixed-mode of working in someof the mines (deeper seams of OC with UG technology)

v) Identifying the pool of Officers/employees to be associated with transfer of new technologies,

vi) Entering into annual maintenance contract with manufacturers on long terms basis to ensure guaranteed performance.

c) Presently, the private sector is allowed to mine coal only captively for specified end-uses and in this context 136 coal mining blocks have been identified in CIL.Out of these,as on 1.3.2005, allocation letters allotting captive blocks been issued to 29 companies in the private sector and a further 27 companies in the private sector have been approved for receiving letters of allocation. With the measures taken to ensure early production of coal from captive mines,it is expected to bridge the supply demand gap substantially.

(d) to (f): No, Sir. As import of coal is placed under Open General License, consumers are free to import coal for either end-use or for trading purposes. However,the Government has impressed upon the major power utilities to import at least 10 million tones (M.T.) of uon-coking coal during the current financial year so as to bridge the gap between demand and supply to the power sector.Subsequently,the Ministry of Power has reported that NTPC has entered into an agreement with MMTC to import 2 M.T. of coal for its power houses.